The Real Estate ANALYST

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THE Real Estate Analyst is wildly optimistic about the outlook for real estate. It believes that in the period of the next few years a severe housing shortage will occur and residential rents will skyrocket, with a resulting rapid rise in the price of real estate. Commercial and industrial properties will undergo a similar sequence at a slightly later date.

Had the Real Estate Analyst established a reputation in the past for predicting"corners" which later proved elusive, little weight could be given to its present optimistic position. By referring to the back files, however, it can be seen that in the past it has consistently forecast real estate movements with accuracy and precision. Prior to March, 1933 its forecasts formed somber reading, exuding real estate deflation on every page. It lost many clients during this period through its forecasts of greater vacancies, lower rents, lower values, higher foreclosures, and fewer sales.

From 1931 on, for a number of years it stood practically alone in its forecast of no building in any volume for a long period of years. It does not yet believe that the immediate outlook for the building industry is quite so bright as many would have us believe. New building will not start in any volume until a space shortage raises rents and values of buildings now standing to the point where new buildings can be constructed on a competitive basis. This point will be reached on some types of space and in some communities shortly before it can be reached in others.

We know of no stronger visual proof that real estate is getting well than the long chart in this issue showing real estate activity from 1868 to the present. It is true that this chart is based on Saint Louis figures. That it is fairly representative of any large city is shown quite conclusively, we believe, by the comparison year by year with real estate cycles in other communities where we have accumulated similar material. The chart on page 469 shows a comparison of the Saint Louis chart with one for all cities on the West Coast. A comparison from 1916 on is possible with national cycles as shown on the chart on the back page. This chart is based on data accumulated by Real Estate Analysts, Inc., from principal cities scattered from coast to coast.

We are still in the buying period for real estate which started in June, 1933. As long as foreclosures remain high and activity low, that period will continue. As can be seen from the many charts in this issue, however, the recovery of real estate is already well under way. It will progress at a slightly accelerated rate during the next few years. The buying opportunities of the present period will not be equaled at any time in the next decade.

# AVERAGE ADVERTISED SINGLE FAMILY DWELLING RENTS 1935

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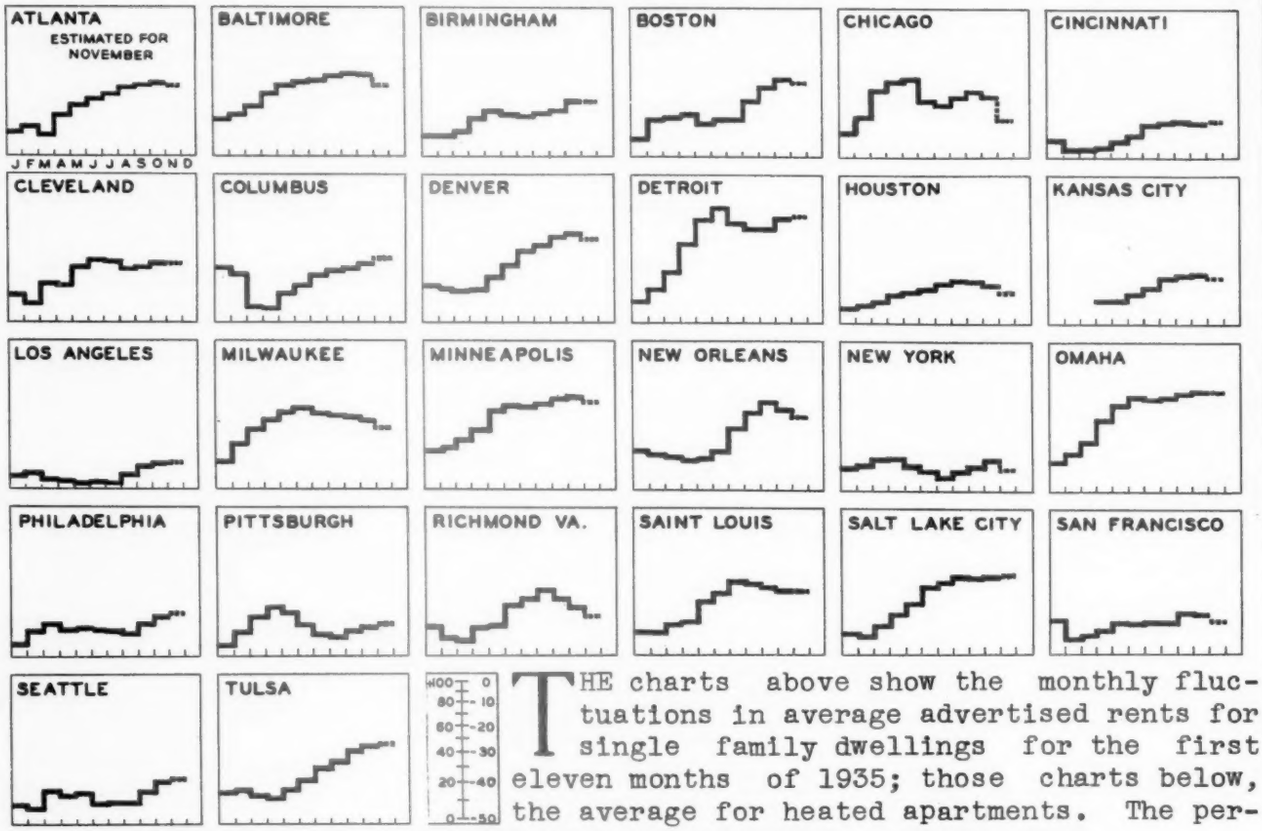


THE charts above show the monthly fluctuations in average advertised rents for single family dwellings for the first eleven months of 1935; those charts below, the average for heated apartments. The per-

# AVERAGE ADVERTISED APARTMENT RENTS 1935

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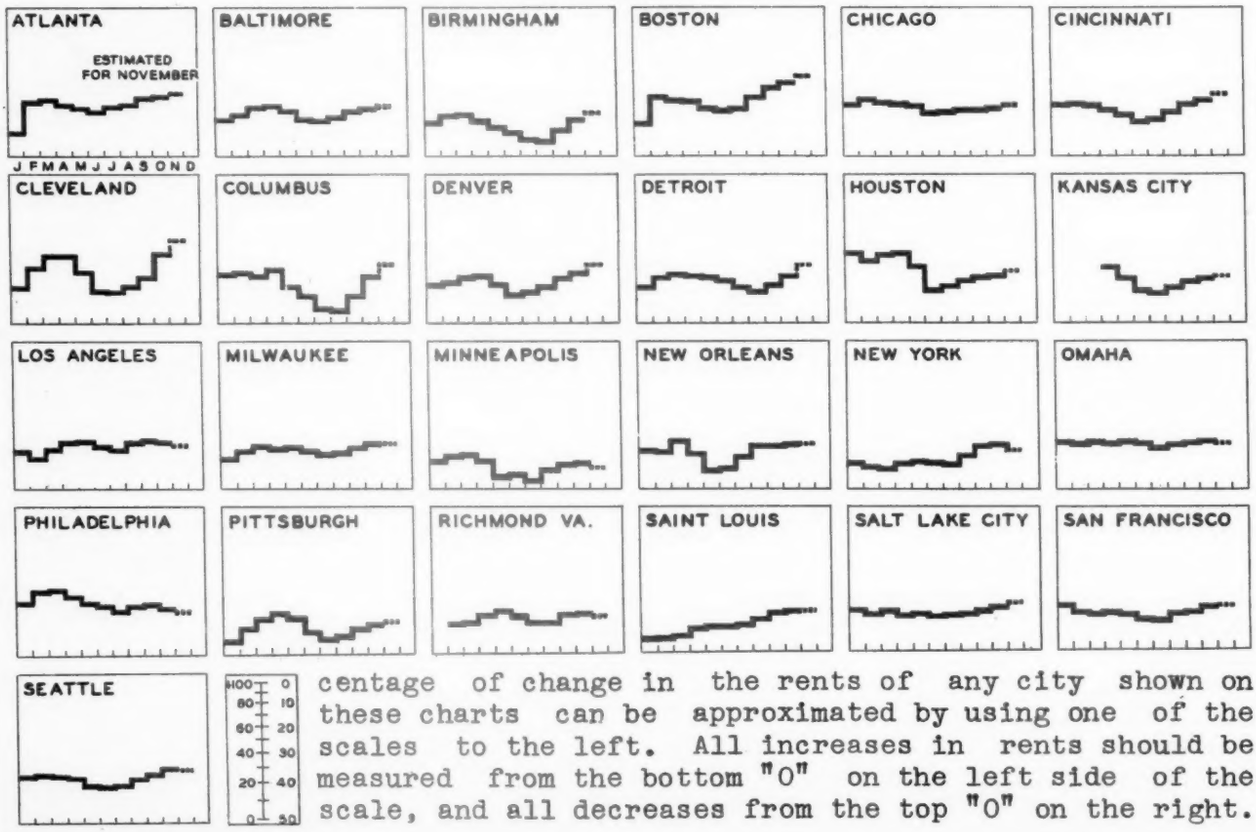


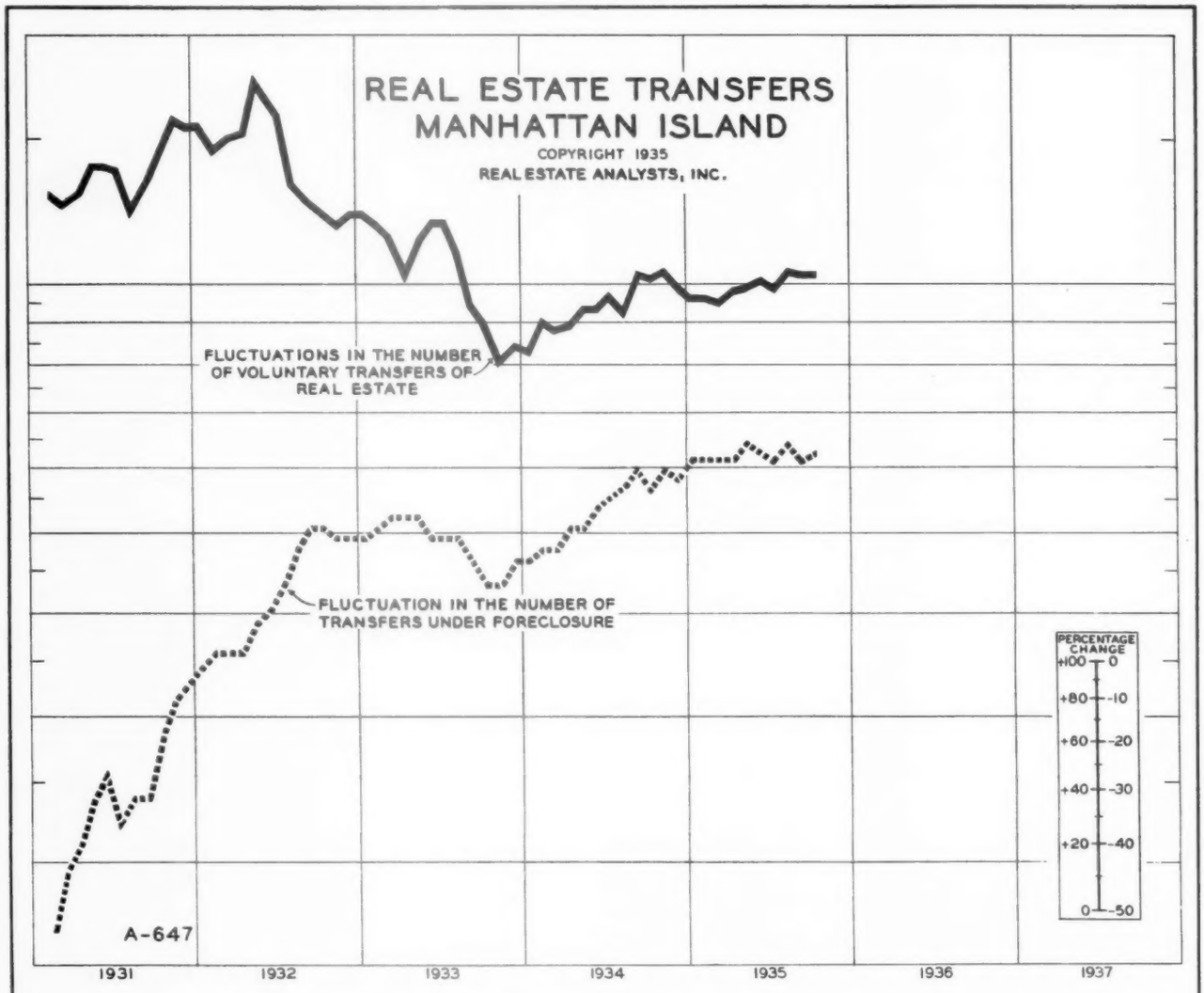

centage of change in the rents of any city shown on these charts can be approximated by using one of the scales to the left. All increases in rents should be measured from the bottom "0" on the left side of the scale, and all decreases from the top "0" on the right.

# ADVERTISED RENTALS ON DWELLING UNITS

THE Real Estate Analyst computes the average advertised rents of residential units of various types each month in the twenty-six metropolitan cities listed below. The figures given are average rents per month per room for all units of each type, large and small, advertised in the classified columns of the leading newspapers of each city. The average of all places advertised for rent will vary considerably from month to month due to the inclusion some months of a larger number of either high or low priced units. That the trend is definitely up in most cities is indicated by the figures below and the charts opposite. The November figures are preliminary, based on the advertisements appearing during the first two weeks of the month.

| | | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | *Nov. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SINGLE FAMILY DWELLINGS | Atlanta | $5.66 | $5.74 | $5.56 | $6.14 | $6.47 | $6.62 | $6.78 | $6.93 | $7.09 | $7.25 | $7.16 |
| | Baltimore | 4.86 | 4.98 | 5.19 | 5.51 | 5.77 | 5.86 | 5.88 | 6.10 | 6.16 | 6.15 | 5.86 |
| | Birmingham | 4.43 | 4.43 | 4.57 | 4.85 | 5.01 | 4.96 | 4.90 | 4.94 | 5.06 | 5.22 | 5.21 |
| | Boston | 6.04 | 6.65 | 6.70 | 6.85 | 6.51 | 6.69 | 6.68 | 7.34 | 7.91 | 8.11 | 7.92 |
| | Chicago | 7.99 | 8.59 | 9.86 | 10.34 | 10.46 | 9.21 | 8.94 | 9.39 | 9.84 | 9.45 | 8.46 |
| | Cincinnati | 7.66 | 7.33 | 7.33 | 7.35 | 7.60 | 7.83 | 8.14 | 8.20 | 8.22 | 8.16 | 8.29 |
| | Cleveland | 6.93 | 6.64 | 7.34 | 7.29 | 7.95 | 8.18 | 8.02 | 7.88 | 7.94 | 8.11 | 8.09 |
| | Columbus | 5.31 | 5.17 | 4.35 | 4.35 | 4.65 | 4.88 | 5.07 | 5.21 | 5.31 | 5.45 | 5.62 |
| | Denver | 4.89 | 4.78 | 4.72 | 4.75 | 5.08 | 5.39 | 5.75 | 6.07 | 6.31 | 6.35 | 6.20 |
| | Detroit | 5.73 | 6.02 | 6.60 | 7.67 | 8.59 | 9.13 | 8.40 | 8.18 | 8.18 | 8.75 | 8.83 |
| | Houston | 6.44 | 6.53 | 6.69 | 6.96 | 7.02 | 7.18 | 7.32 | 7.39 | 7.38 | 7.24 | 7.00 |
| | Kansas City | - | - | - | 4.51 | 4.51 | 4.64 | 4.79 | 4.98 | 5.08 | 5.10 | 5.01 |
| | Los Angeles | 8.43 | 8.52 | 8.33 | 8.29 | 8.12 | 8.13 | 8.02 | 8.48 | 8.85 | 8.97 | 9.00 |
| | Milwaukee | 6.94 | 7.60 | 8.21 | 8.58 | 8.91 | 9.08 | 8.81 | 8.61 | 8.52 | 8.36 | 8.03 |
| | Minneapolis | 4.89 | 4.97 | 5.19 | 5.39 | 5.94 | 6.08 | 6.06 | 6.15 | 6.31 | 6.36 | 6.21 |
| | New Orleans | 4.87 | 4.79 | 4.70 | 4.65 | 4.69 | 4.85 | 5.39 | 5.88 | 6.20 | 5.98 | 5.76 |
| | New York | 12.20 | 12.28 | 12.68 | 12.75 | 12.35 | 11.98 | 11.59 | 11.96 | 12.23 | 12.57 | 11.99 |
| | Omaha | 4.69 | 4.86 | 5.13 | 5.73 | 6.15 | 6.43 | 6.35 | 6.37 | 6.50 | 6.59 | 6.54 |
| | Philadelphia | 5.38 | 5.58 | 5.76 | 5.58 | 5.67 | 5.63 | 5.63 | 5.48 | 5.77 | 6.01 | 6.15 |
| | Pittsburgh | 6.29 | 6.72 | 7.28 | 7.67 | 7.43 | 6.99 | 6.62 | 6.52 | 6.70 | 6.89 | 7.02 |
| | Richmond | 5.82 | 5.50 | 5.42 | 5.80 | 5.86 | 6.45 | 6.66 | 7.03 | 6.66 | 6.44 | 6.21 |
| | Saint Louis | 5.69 | 5.64 | 5.89 | 5.97 | 6.55 | 6.82 | 7.24 | 7.11 | 7.05 | 6.91 | 6.88 |
| | Salt Lake City | 4.44 | 4.39 | 4.66 | 4.90 | 5.18 | 5.56 | 5.66 | 5.76 | 5.74 | 5.82 | 5.88 |
| | San Francisco | 7.15 | 6.50 | 6.62 | 6.78 | 7.07 | 7.03 | 7.06 | 7.07 | 7.31 | 7.28 | 7.11 |
| | Seattle | 5.02 | 4.97 | 5.33 | 5.28 | 5.30 | 5.05 | 5.07 | 5.07 | 5.31 | 5.58 | 5.68 |
| | Tulsa | 5.85 | 5.97 | 5.77 | 5.68 | 5.92 | 6.21 | 6.53 | 6.76 | 7.17 | 7.33 | 7.41 |
| HEATED APARTMENT UNITS | Atlanta | 8.42 | 9.80 | 9.90 | 9.65 | 9.52 | 9.38 | 9.58 | 9.68 | 10.01 | 10.19 | 10.29 |
| | Baltimore | 10.83 | 11.27 | 12.09 | 12.23 | 11.79 | 10.88 | 10.72 | 11.04 | 11.59 | 11.97 | 12.11 |
| | Birmingham | 8.36 | 8.62 | 8.63 | 8.38 | 8.12 | 7.93 | 7.63 | 7.61 | 8.00 | 8.48 | 8.73 |
| | Boston | 9.55 | 11.75 | 11.36 | 11.16 | 10.44 | 10.12 | 10.40 | 11.59 | 12.68 | 13.17 | 13.61 |
| | Chicago | 11.68 | 12.32 | 11.86 | 11.79 | 11.49 | 10.88 | 10.92 | 11.04 | 11.04 | 11.15 | 11.28 |
| | Cincinnati | 10.70 | 10.82 | 10.67 | 10.30 | 9.93 | 9.57 | 9.72 | 10.10 | 10.78 | 11.24 | 11.51 |
| | Cleveland | 8.43 | 9.24 | 9.84 | 9.84 | 9.14 | 8.26 | 8.22 | 8.49 | 8.88 | 9.99 | 10.81 |
| | Columbus | 9.01 | 9.09 | 8.89 | 9.22 | 8.40 | 8.06 | 7.56 | 7.52 | 8.06 | 8.89 | 9.49 |
| | Denver | 9.70 | 9.88 | 10.08 | 10.14 | 9.76 | 9.24 | 9.40 | 9.60 | 10.06 | 10.65 | 11.05 |
| | Detroit | 9.60 | 10.08 | 10.47 | 10.37 | 10.36 | 10.00 | 9.65 | 9.45 | 9.73 | 10.22 | 10.86 |
| | Houston | 8.68 | 8.38 | 8.63 | 8.66 | 8.13 | 7.20 | 7.39 | 7.54 | 7.70 | 7.77 | 7.92 |
| | Kansas City | - | - | - | 7.05 | 6.65 | 6.24 | 6.18 | 6.36 | 6.52 | 6.67 | 6.72 |
| | Los Angeles | 10.23 | 9.76 | 10.38 | 11.18 | 11.28 | 10.85 | 10.43 | 11.11 | 11.27 | 11.23 | 11.07 |
| | Milwaukee | 9.32 | 9.70 | 9.97 | 9.83 | 9.91 | 9.70 | 9.56 | 9.63 | 9.87 | 10.10 | 10.10 |
| | Minneapolis | 8.89 | 9.09 | 9.17 | 8.81 | 8.21 | 8.31 | 8.06 | 8.48 | 8.78 | 8.81 | 8.66 |
| | New Orleans | 8.23 | 8.22 | 8.73 | 8.21 | 7.52 | 7.54 | 8.01 | 8.48 | 8.48 | 8.55 | 8.59 |
| | New York | 17.29 | 16.87 | 16.77 | 17.13 | 17.18 | 17.24 | 17.10 | 17.85 | 18.69 | 18.92 | 18.46 |
| | Omaha | 10.30 | 10.29 | 10.33 | 10.18 | 10.45 | 10.17 | 9.87 | 10.13 | 10.32 | 10.40 | 10.34 |
| | Philadelphia | 13.66 | 14.57 | 14.61 | 14.22 | 13.79 | 13.55 | 13.24 | 13.40 | 13.63 | 13.37 | 13.21 |
| | Pittsburgh | 8.81 | 9.43 | 9.88 | 10.21 | 9.91 | 9.24 | 8.91 | 9.02 | 9.35 | 9.56 | 9.71 |
| | Richmond | - | 9.56 | 9.57 | 9.99 | 10.23 | 9.89 | 9.62 | 9.66 | 10.03 | 10.07 | 9.95 |
| | Saint Louis | 8.62 | 8.66 | 8.76 | 9.07 | 9.19 | 9.19 | 9.22 | 9.41 | 9.76 | 9.81 | 9.86 |
| | Salt Lake City | 9.22 | 9.08 | 9.20 | 8.99 | 9.08 | 8.92 | 9.01 | 9.06 | 9.22 | 9.38 | 9.61 |
| | San Francisco | 11.36 | 10.92 | 10.67 | 10.78 | 10.67 | 10.52 | 10.50 | 10.82 | 10.90 | 11.33 | 11.39 |
| | Seattle | 10.10 | 10.24 | 10.21 | 10.05 | 9.69 | 9.51 | 9.65 | 10.06 | 10.21 | 10.53 | 10.49 |

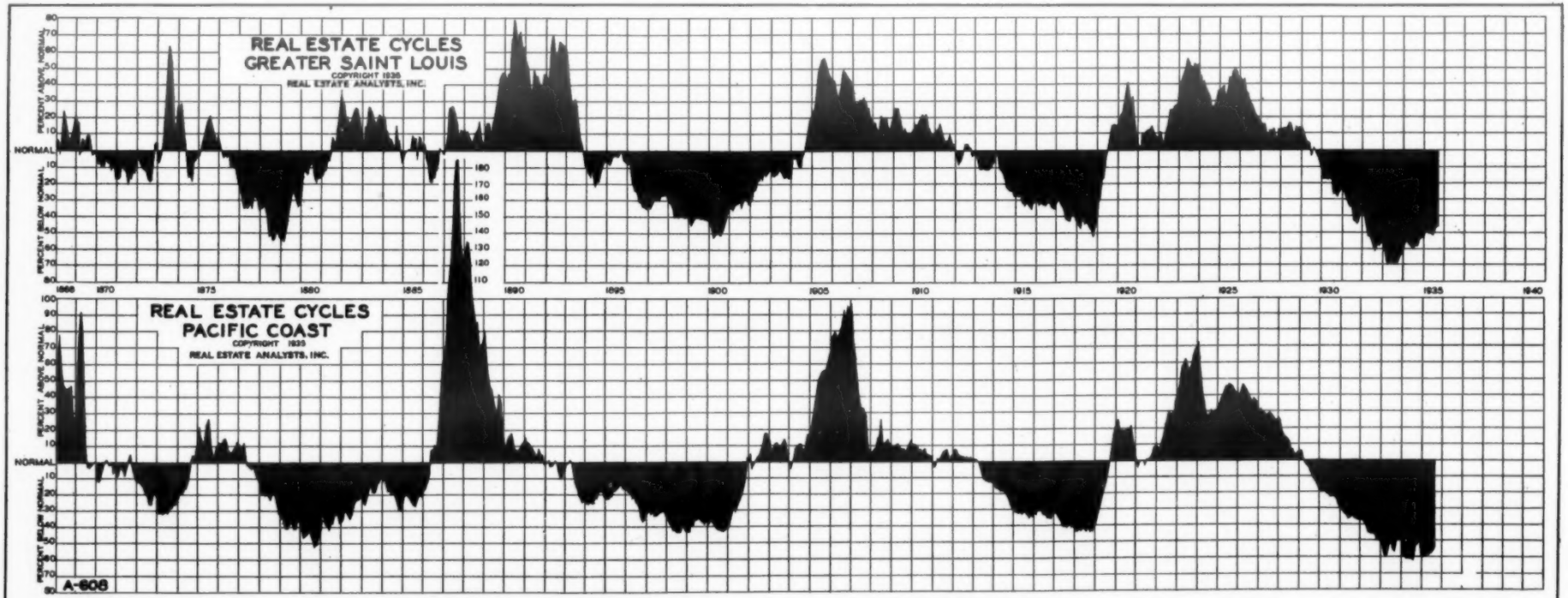
*Preliminary




## REAL ESTATE ACTIVITY IN NEW YORK CITY

REAL Estate Analysts, Inc., has started intensive studies of the New York metropolitan area. We hope within the relatively near future to be able to present the cycles of real estate in New York from 1868 to the present in a chart somewhat similar to the long spread shown in this issue. It will be a number of months, however, before the millions of compilations and computations can be completed. In the interim current information will be given from such sources as now exist. These measurements will be refined as the work progresses, necessarily changing slightly the preliminary chart for the last few years shown above. This chart, which has been corrected for seasonal fluctuation and for the decrease in the number of families, shows the fluctuations in the number of voluntary transfers of real estate in contrast with the fluctuations in the number of transfers under foreclosure from 1931 to the present. The small percentage scale in the lower right hand corner can be used in determining the percentage of increase or decrease in the figures each month.

New York is one of the few cities in the United States where foreclosures have not declined during the past year, although the peak in most communities was passed in 1932 or 1933. The long and expensive foreclosure procedure in New York is probably partially responsible.

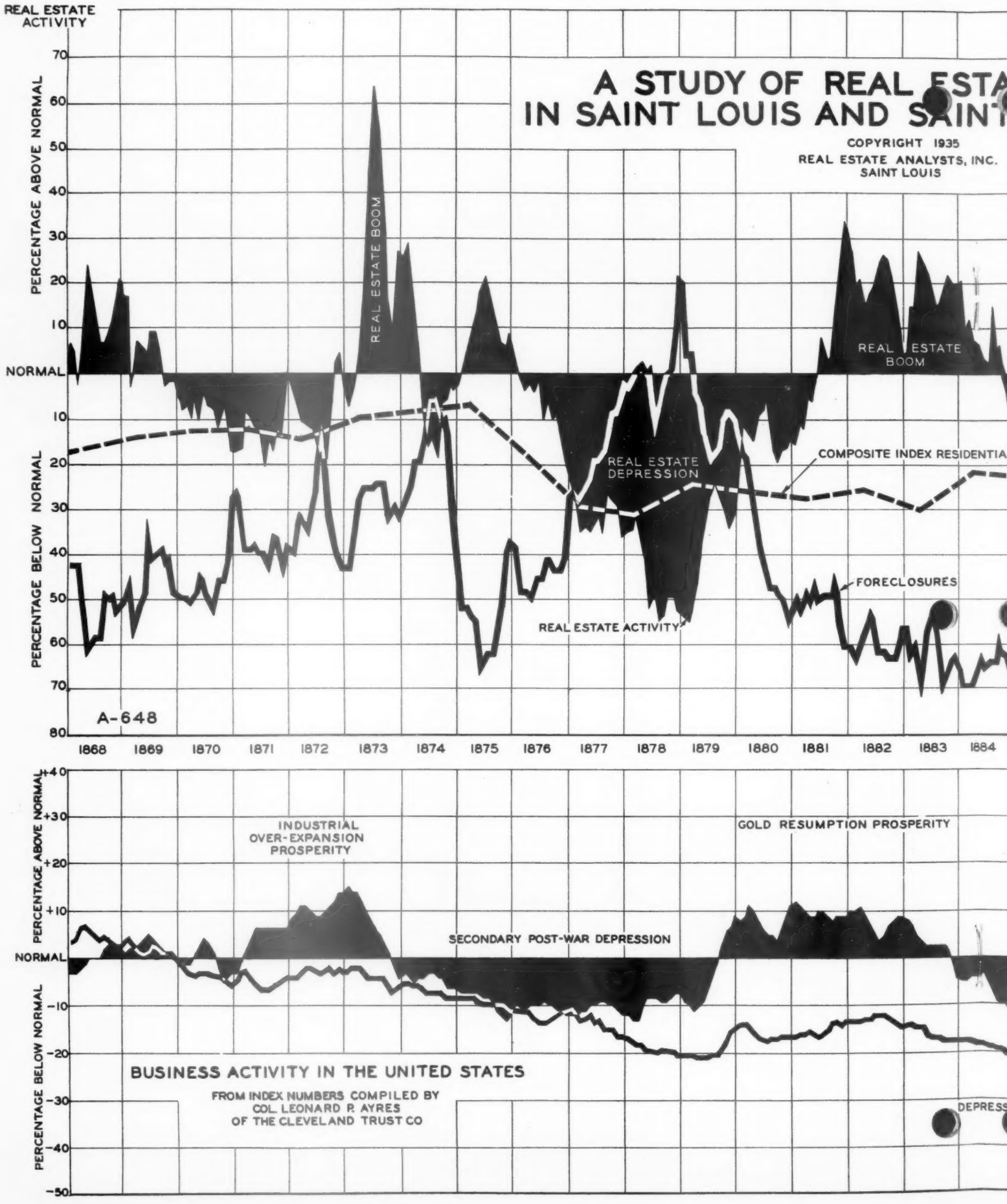


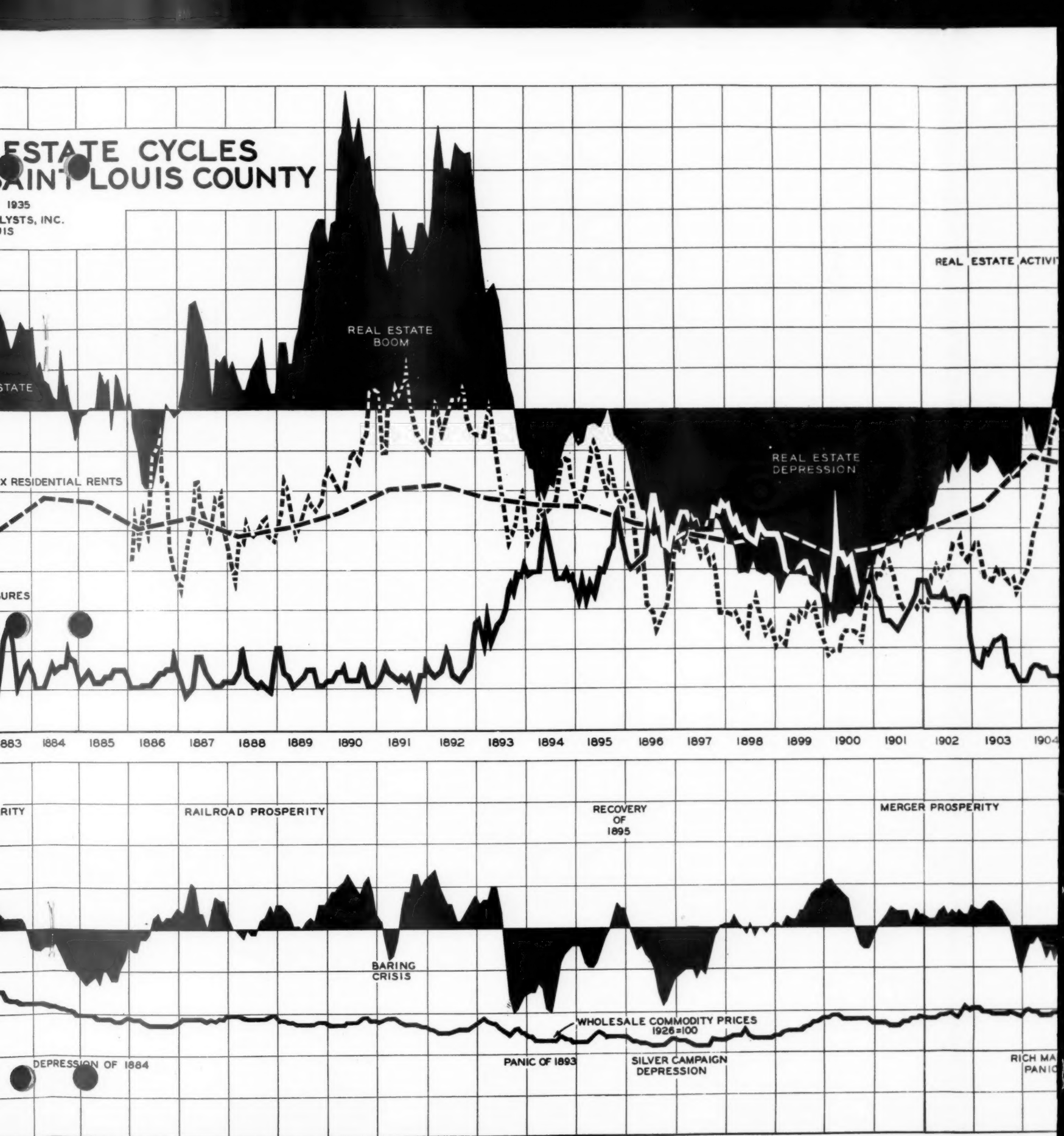

# THE NATIONAL CHARACTER OF REAL ESTATE CYCLES.

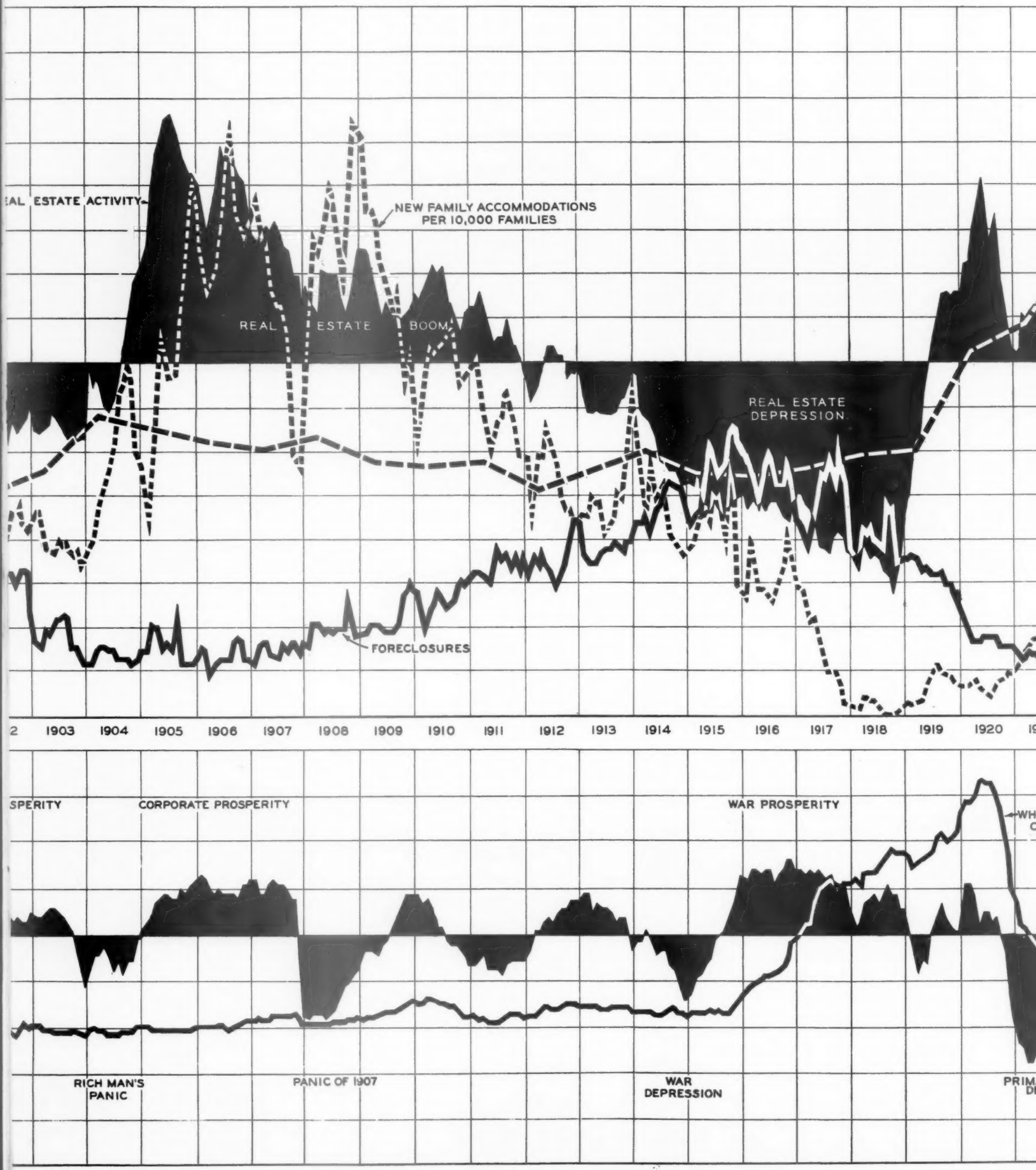
THE two charts above were first printed in the February, 1935 Real Estate Analyst. They have been brought up to date and are reprinted here to emphasize again the fact that real estate cycles are predominantly national.

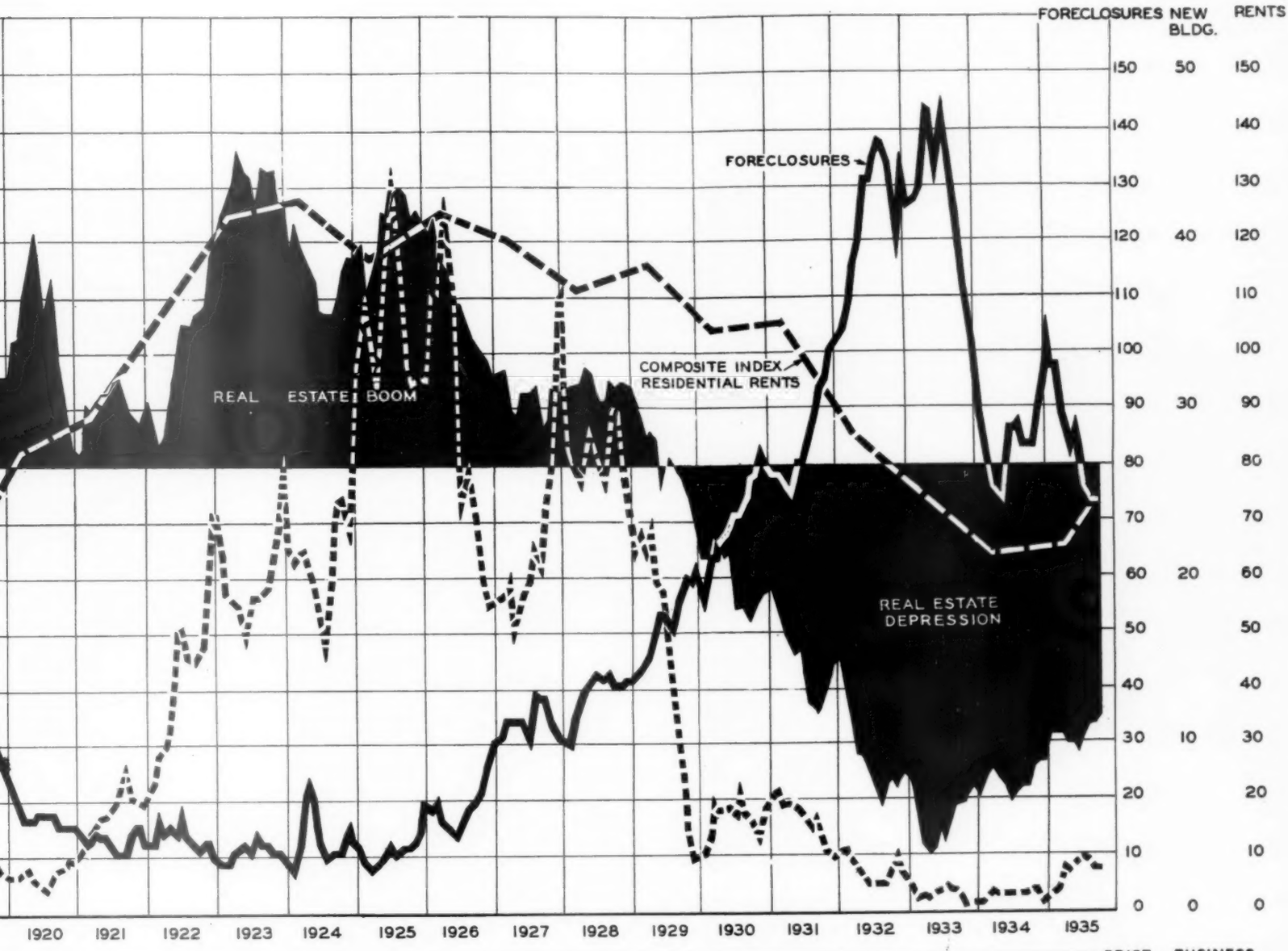
Theoretically, real estate cycles on the West Coast and in Saint Louis could be expected to show the widest divergence. In 1868, the first year on both charts, Saint Louis was a thriving city of more than three hundred and fifty thousand people, largely of German and Bohemian descent. It was conservative then as it is now. On the other hand, all of the West Coast in 1868 was a very sparsely settled area. California had been admitted as a state in 1850 and Oregon in 1859, but Washington remained a territory until 1889. The characteristics of the "Forty-niners" in California were quite different from those of staid Saint Louisans.

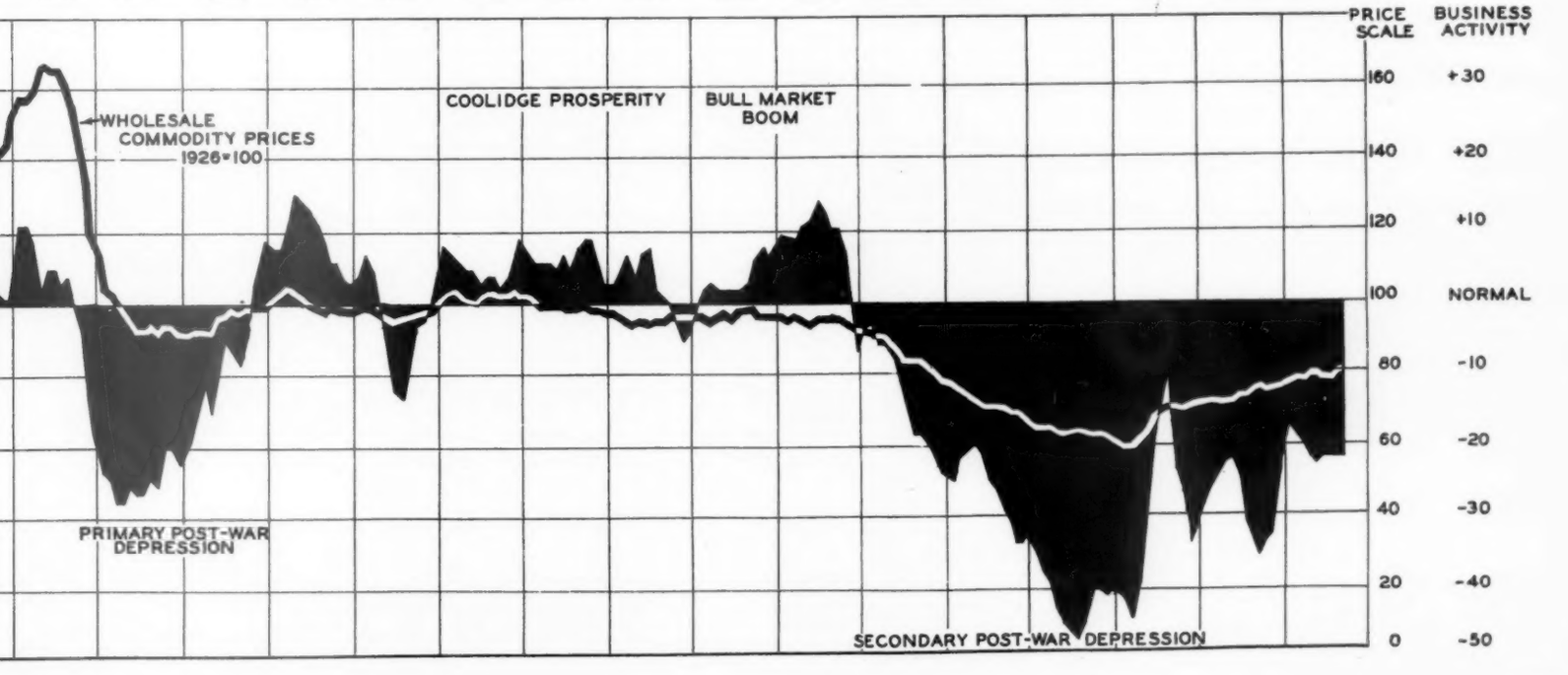
We believe that the differences in the early period in the timing of booms and depressions are due almost entirely to the isolation of the West in this period and to the gold and greenback situation explained in detail in the February, 1935 Real Estate Analyst. The wildness of the booms in the early period on the West Coast is a characteristic of an undeveloped territory, noticeable in the recent past in Florida. It is quite interesting to note that as the West Coast has become an industrialized community, the cycles there have conformed more and more to those in settled communities.

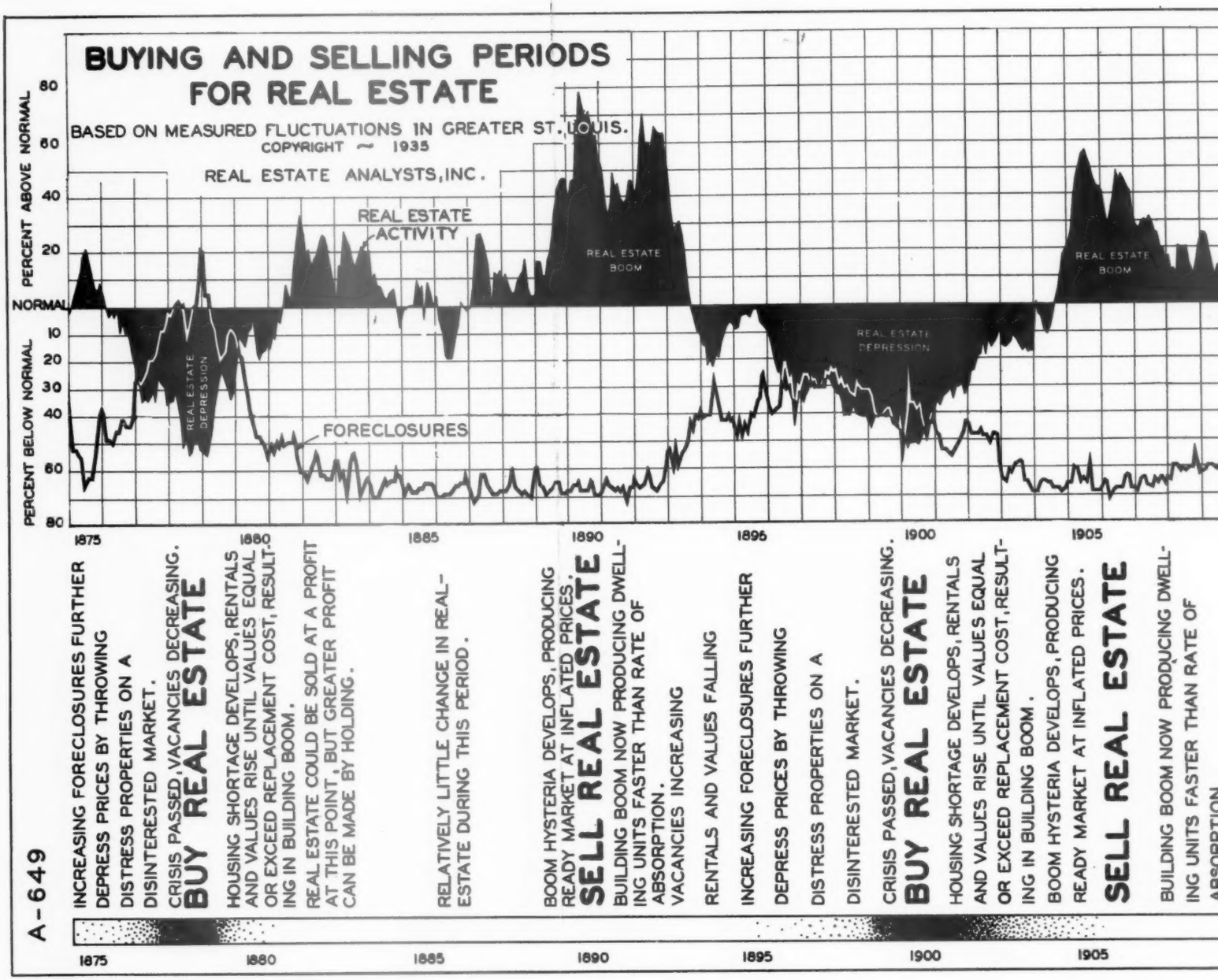

REAL ESTATE ACTIVITY
A STUDY OF REAL ESTA
IN SAINT LOUIS AND SAINT
COPYRIGHT 1935
REAL ESTATE ANALYSTS, INC.
SAINT LOUIS
PERCENTAGE ABOVE NORMAL
70
60
50
40
30
20
10
NORMAL
REAL ESTATE BOOM
REAL ESTATE BOOM
REAL ESTATE DEPRESSION
COMPOSITE INDEX RESIDENTIA
FORECLOSURES
REAL ESTATE ACTIVITY
PERCENTAGE BELOW NORMAL
10
20
30
40
50
60
70
80
A-648
1868
1869
1870
1871
1872
1873
1874
1875
1876
1877
1878
1879
1880
1881
1882
1883
1884
PERCENTAGE ABOVE NORMAL
+40
+30
+20
+10
NORMAL
INDUSTRIAL OVER-EXPANSION PROSPERITY
GOLD RESUMPTION PROSPERITY
SECONDARY POST-WAR DEPRESSION
PERCENTAGE BELOW NORMAL
-10
-20
-30
-40
-50
BUSINESS ACTIVITY IN THE UNITED STATES
FROM INDEX NUMBERS COMPILED BY
COL. LEONARD P. AYRES
OF THE CLEVELAND TRUST CO
DEPRESS


ESTATE CYCLES
AINT LOUIS COUNTY
1935
LYSTS, INC.
IS
REAL ESTATE ACTIVI
REAL ESTATE
BOOM
STATE
REAL ESTATE
DEPRESSION
X RESIDENTIAL RENTS
URES
883 1884 1885 1886 1887 1888 1889 1890 1891 1892 1893 1894 1895 1896 1897 1898 1899 1900 1901 1902 1903 1904
RITY
RAILROAD PROSPERITY
RECOVERY
OF
1895
MERGER PROSPERITY
BARING
CRISIS
WHOLESALE COMMODITY PRICES
1926=100
DEPRESSION OF 1884
PANIC OF 1893
SILVER CAMPAIGN
DEPRESSION
RICH MA
PANIC


AL ESTATE ACTIVITY
NEW FAMILY ACCOMMODATIONS PER 10,000 FAMILIES
REAL ESTATE BOOM
REAL ESTATE DEPRESSION
FORECLOSURES
2
1903
1904
1905
1906
1907
1908
1909
1910
1911
1912
1913
1914
1915
1916
1917
1918
1919
1920
SPERITY
CORPORATE PROSPERITY
WAR PROSPERITY
RICH MAN'S PANIC
PANIC OF 1907
WAR DEPRESSION


FORECLOSURES
NEW BLDG.
RENTS
150
140
130
120
110
100
90
80
70
60
50
40
30
20
10
0
50
40
30
20
10
0
FORECLOSURES
COMPOSITE INDEX RESIDENTIAL RENTS
REAL ESTATE BOOM
REAL ESTATE DEPRESSION
1920
1921
1922
1923
1924
1925
1926
1927
1928
1929
1930
1931
1932
1933
1934
1935


PRICE SCALE
BUSINESS ACTIVITY
160
140
120
100
80
60
40
20
0
+30
+20
+10
NORMAL
-10
-20
-30
-40
-50
WHOLESALE COMMODITY PRICES 1926=100
COOLIDGE PROSPERITY
BULL MARKET BOOM
PRIMARY POST-WAR DEPRESSION
SECONDARY POST-WAR DEPRESSION


BUYING AND SELLING PERIODS FOR REAL ESTATE
BASED ON MEASURED FLUCTUATIONS IN GREATER ST. LOUIS.
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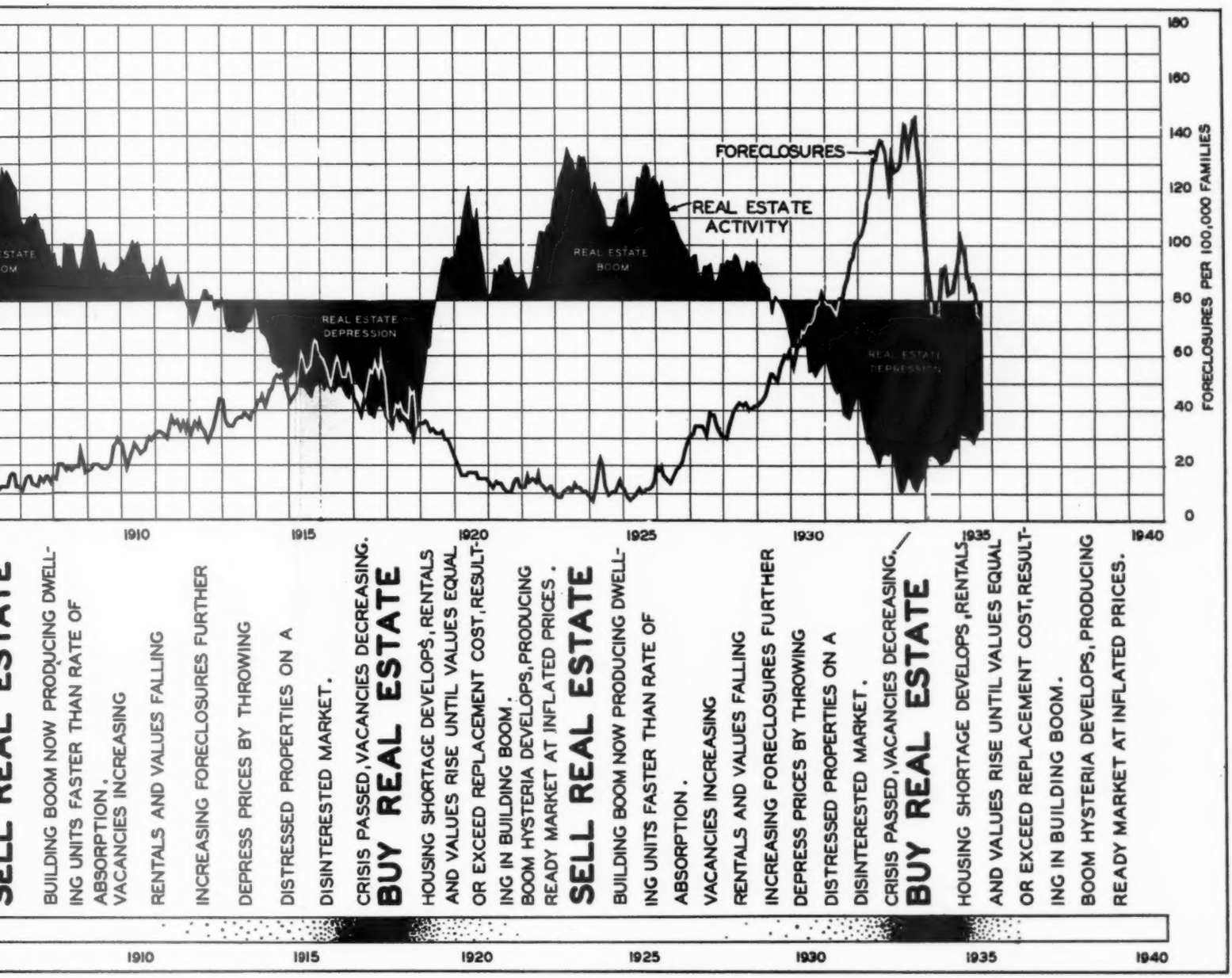
REAL ESTATE ANALYSTS, INC.
PERCENT ABOVE NORMAL
PERCENT BELOW NORMAL
NORMAL
REAL ESTATE ACTIVITY
FORECLOSURES
REAL ESTATE BOOM
REAL ESTATE DEPRESSION
REAL ESTATE BOOM
REAL ESTATE DEPRESSION
1875
1880
1885
1890
1895
1900
1905
A-649
INCREASING FORECLOSURES FURTHER DEPRESS PRICES BY THROWING DISTRESS PROPERTIES ON A DISINTERESTED MARKET.
CRISIS PASSED, VACANCIES DECREASING. BUY REAL ESTATE
HOUSING SHORTAGE DEVELOPS, RENTALS AND VALUES RISE UNTIL VALUES EQUAL OR EXCEED REPLACEMENT COST, RESULTING IN BUILDING BOOM.
REAL ESTATE COULD BE SOLD AT A PROFIT AT THIS POINT, BUT GREATER PROFIT CAN BE MADE BY HOLDING.
RELATIVELY LITTLE CHANGE IN REAL-ESTATE DURING THIS PERIOD.
BOOM HYSTERIA DEVELOPS, PRODUCING READY MARKET AT INFLATED PRICES. SELL REAL ESTATE
BUILDING BOOM NOW PRODUCING DWELLING UNITS FASTER THAN RATE OF ABSORPTION.
VACANCIES INCREASING
RENTALS AND VALUES FALLING
INCREASING FORECLOSURES FURTHER
DEPRESS PRICES BY THROWING
DISTRESS PROPERTIES ON A
DISINTERESTED MARKET.
CRISIS PASSED, VACANCIES DECREASING. BUY REAL ESTATE
HOUSING SHORTAGE DEVELOPS, RENTALS AND VALUES RISE UNTIL VALUES EQUAL OR EXCEED REPLACEMENT COST, RESULTING IN BUILDING BOOM.
BOOM HYSTERIA DEVELOPS, PRODUCING READY MARKET AT INFLATED PRICES. SELL REAL ESTATE
BUILDING BOOM NOW PRODUCING DWELLING UNITS FASTER THAN RATE OF

## BUYING REAL ESTATE FOR A PHENOMENAL PROFIT

IN the last sixty years there have been but four relatively short periods in which average improved real estate in typical communities could be purchased for phenomenal profit. Each of these periods was the result of practically the same causes occurring in practically the same sequence. We are still in the fourth of these periods.

The chart above shows these periods with the sequence of events which preceded the buying and selling periods in each case. The narrow ribbon at the bottom of the chart shows the unusual buying periods by the black areas.

Notice how the same factors reappear in each period in the same order. Low real estate activity and high foreclosures have always accompanied buying periods in the past. Common sense alone would tell us that



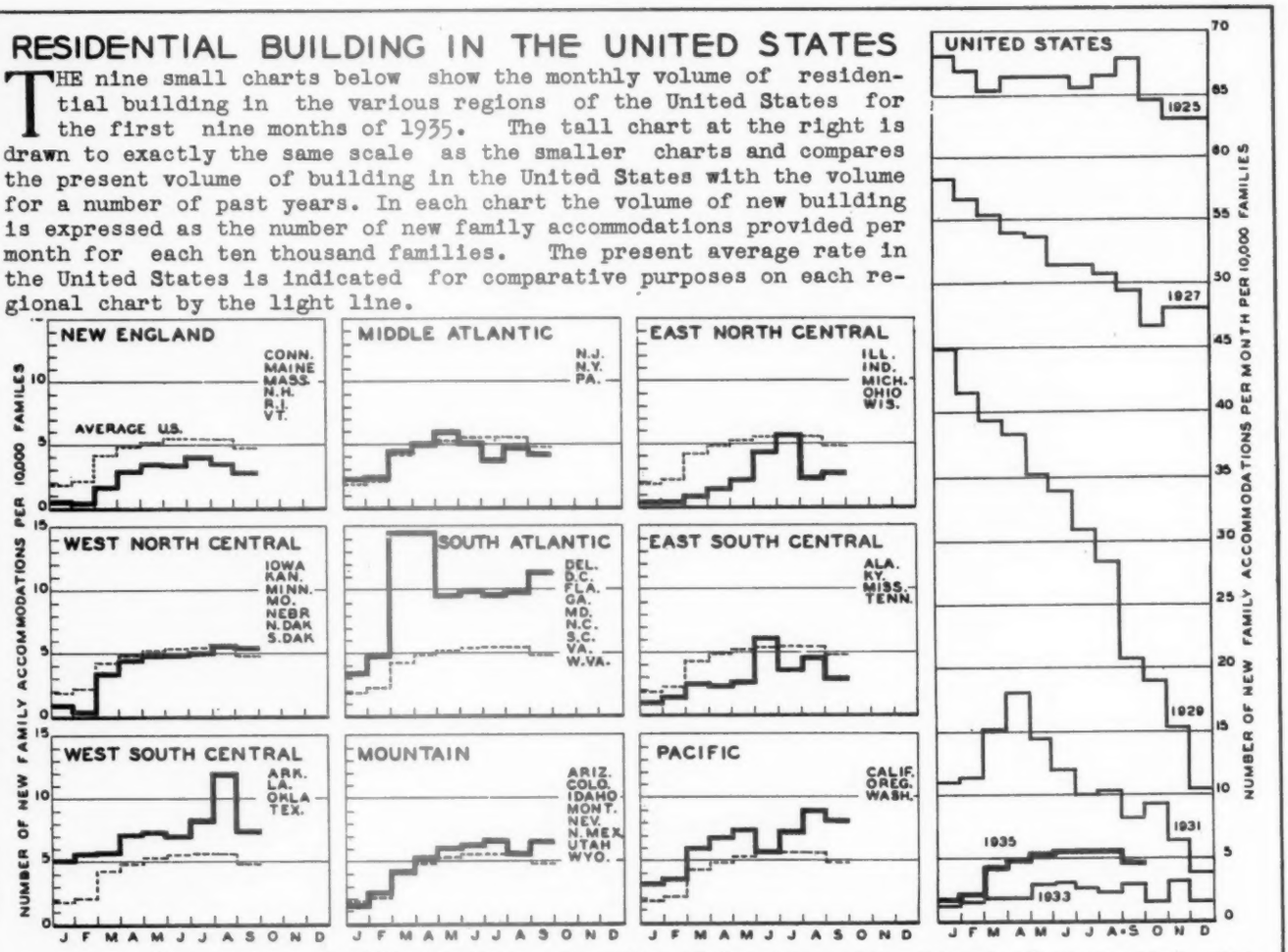

the less activity in buying and selling real estate and the more foreclosures, the greater the congestion of distress properties on a disinterested market and the greater the bargains obtainable by a person in a position to buy.

The time to sell real estate is when real estate activity is high and foreclosures are low, meaning that there is a great demand for desirable properties with no distress bargains available, naturally resulting in high prices for those pieces offered for sale.

We see no reason why the present period should prove an exception in the reactions which have always resulted in the past from identical causes. It will be noticed that we have filled in the sequence of events in the chart above to the year 1940. While there might be some question as to the exact timing of these events, we can see no possibility at present of their occurring in any order other than the one given.

# RESIDENTIAL BUILDING IN THE UNITED STATES

THE nine small charts below show the monthly volume of residential building in the various regions of the United States for the first nine months of 1935. The tall chart at the right is drawn to exactly the same scale as the smaller charts and compares the present volume of building in the United States with the volume for a number of past years. In each chart the volume of new building is expressed as the number of new family accommodations provided per month for each ten thousand families. The present average rate in the United States is indicated for comparative purposes on each regional chart by the light line.

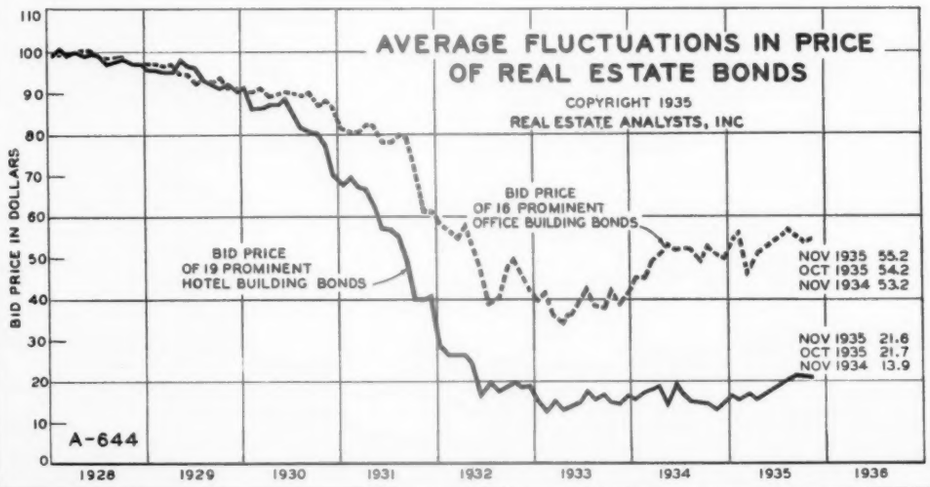



It is quite significant that, in spite of the tremendous amount of government pressure on the building industry and in spite of the thousands of family accommodations being built in government housing projects, which are included in these figures, the volume of new building dropped during September to less than five family accommodations per month per ten thousand families in contrast with a rate of sixty-eight in 1925. This is also below the preceding six months of 1935.

The unusually large volume of building in the South Atlantic district in contrast with the average of the United States is due to the fact that Washington, D. C., and Florida are included in this district.

# FLUCTUATIONS IN THE PRICES OF REAL ESTATE BONDS

THE chart below shows the average fluctuations month by month in the bid prices of a selected list of office and hotel building real estate bonds described on page 447 of the September Real Estate Analyst.




Neither office building nor hotel bonds show any decided trends at the present time. During the next year there should be a more pronounced upward trend.

Lower vacancy in office buildings will be the first cause of increased income. Higher space rates will come later. Hotel occupancy is increasing, but it will still be some time before receipts can increase to a point where earnings are possible.

## REAL ESTATE TRANSFERS IN PRINCIPAL CITIES 1933-1934-1935

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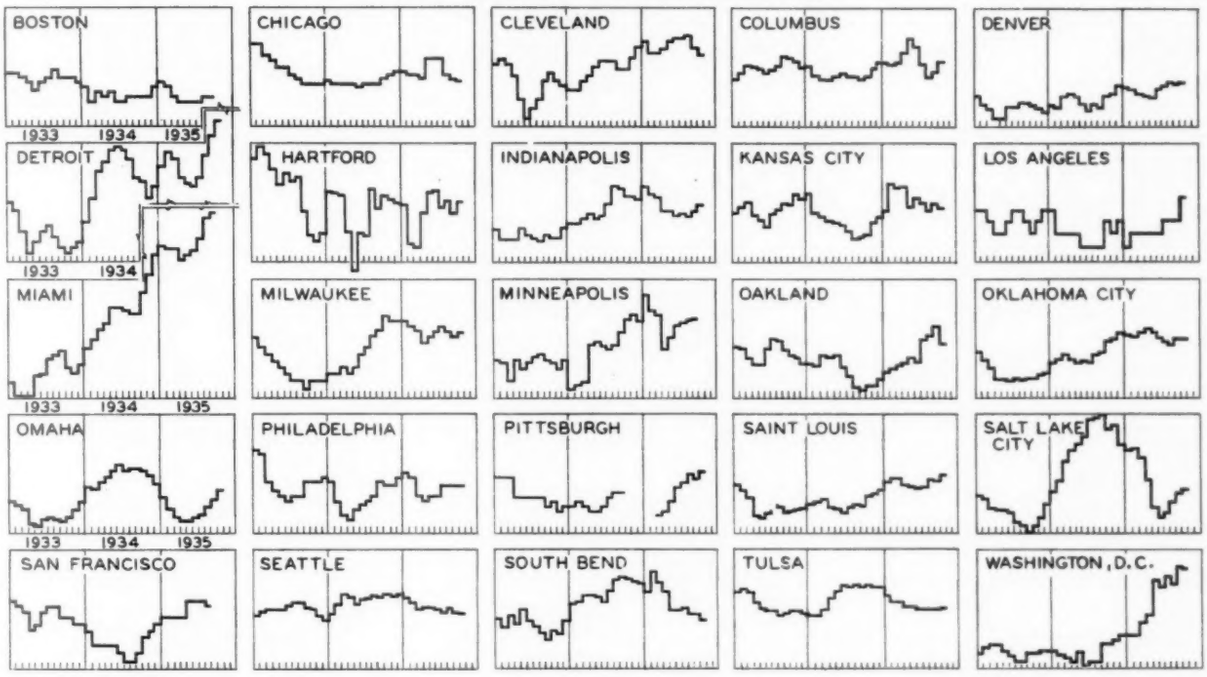
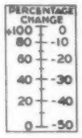
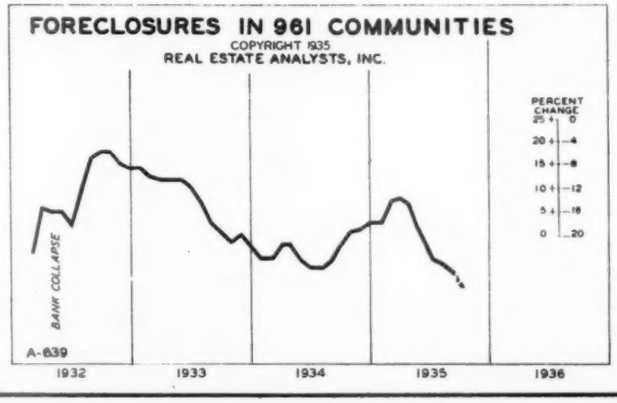


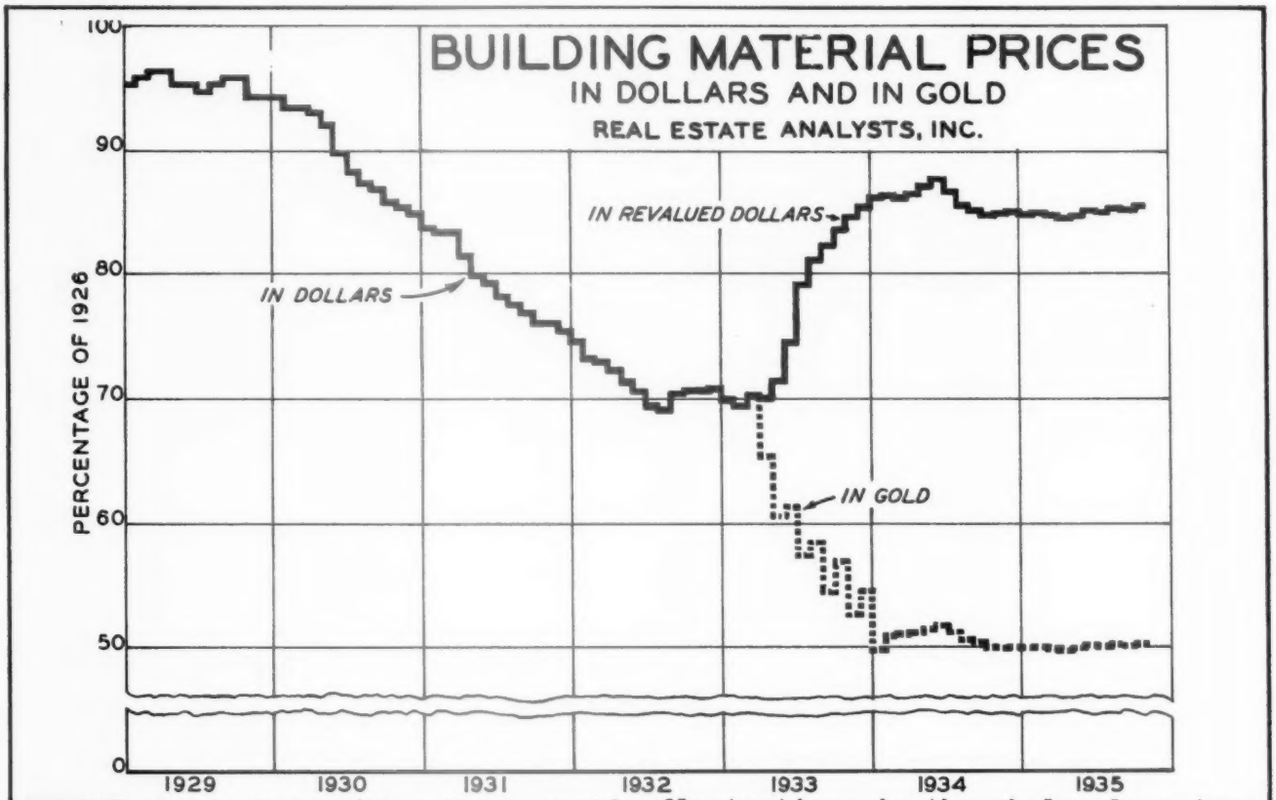

THE percentage of change in the number of voluntary transfers of real estate in any of the cities charted above can be approximated by using the scale to the left. Measure all increases from the bottom "0" on the left side of the scale, and all decreases from the top "0" on the right side. This chart shows the last three years' experience in cities more or less typical of their areas.

While a great deal of variation is apparent in various cities, the average of all principal cities, as shown by the black areas on the chart on the back page, indicates that a great deal of progress has been made since the spring of 1933. Miami, Washington, D. C., and Detroit have shown the greatest percentages of increase. We believe that these cities show how rapidly activity can increase when industrial conditions permit demand to expand after the severe contraction in space requirements which has resulted from the depression.

The small chart below shows the variation in the number of foreclosures in 961 urban and rural communities in the United States from January, 1932 to September, 1935. The percentage of increase or decrease in the figures from month to month can be read by the use of the small insert scale. The dash line shows a preliminary figure for October. The final figure for September was higher than the preliminary one shown last month.




The drop in foreclosures in most communities is quite interesting in contrast with the new peak set this month in Manhattan.

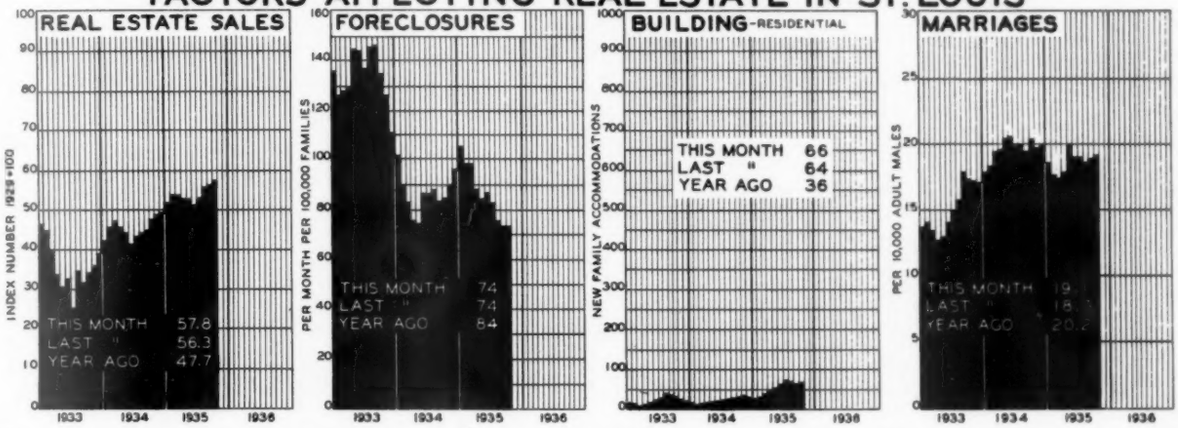



THE chart above shows the monthly fluctuations in the wholesale prices of building materials during the past few years. The dotted line on this chart indicates the gold price of these materials in contrast with the price in devalued dollars. It is quite apparent from this chart that the increase in building material costs has been due almost entirely to the fact that they are measured in smaller dollars. Measured in the old sized dollars, building materials have not yet shown any noticeable increase. As demand for building materials increases, it seems logical to believe that these prices will advance materially.

We are at present compiling an index for a long period of years of the prices of principal building materials delivered on the job. After this is completed and added to certain labor costs, it will be possible to figure the cost of the typical buildings reported in the Real Estate Analyst for years prior to 1913. We are particularly anxious to do this as we want to measure relationships between actual construction costs and rents and values through a number of real estate booms and depressions. We know that a rise in construction cost in the past in advance of an increase in rents has always resulted in a restriction of building, which has in turn produced a housing shortage. The housing shortage has always increased rents and values until they approximately equaled construction costs. This increase has always brought about a building boom.

We have approximate measures of the fluctuations in building costs for the period prior to 1913, but we are now seeking a more precise measure than any series of existing data now presents. When our new figures are completed, it will be possible to measure these fluctuations with a greater degree of accuracy, making possible a more intensive study of cost and value in the past. A study of the sequence of cause and effect in past cycles often gives us clues useful in forecasting the future.

## FACTORS AFFECTING REAL ESTATE IN ST. LOUIS



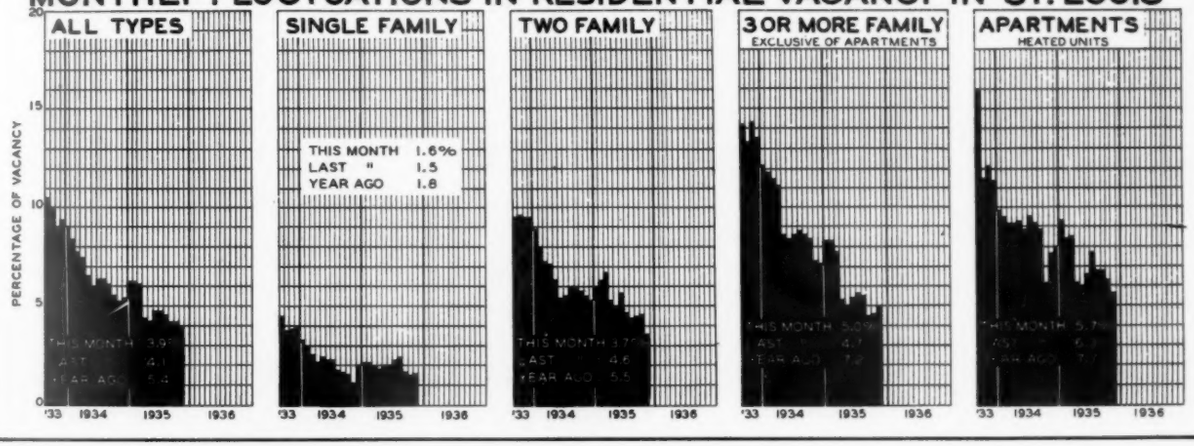

REAL Estate Analysts, Inc., has always made an intensive study of Greater Saint Louis on the assumption that an exhaustive, precise study over a long period of years of all factors affecting real estate in a single representative community is often of greater value in determining the sequence of events in collapse and recovery than is a more general study of the entire country. In addition to the charts on this page, other Saint Louis figures are shown on pages 466, 467, 469, 470, 474, and 477.

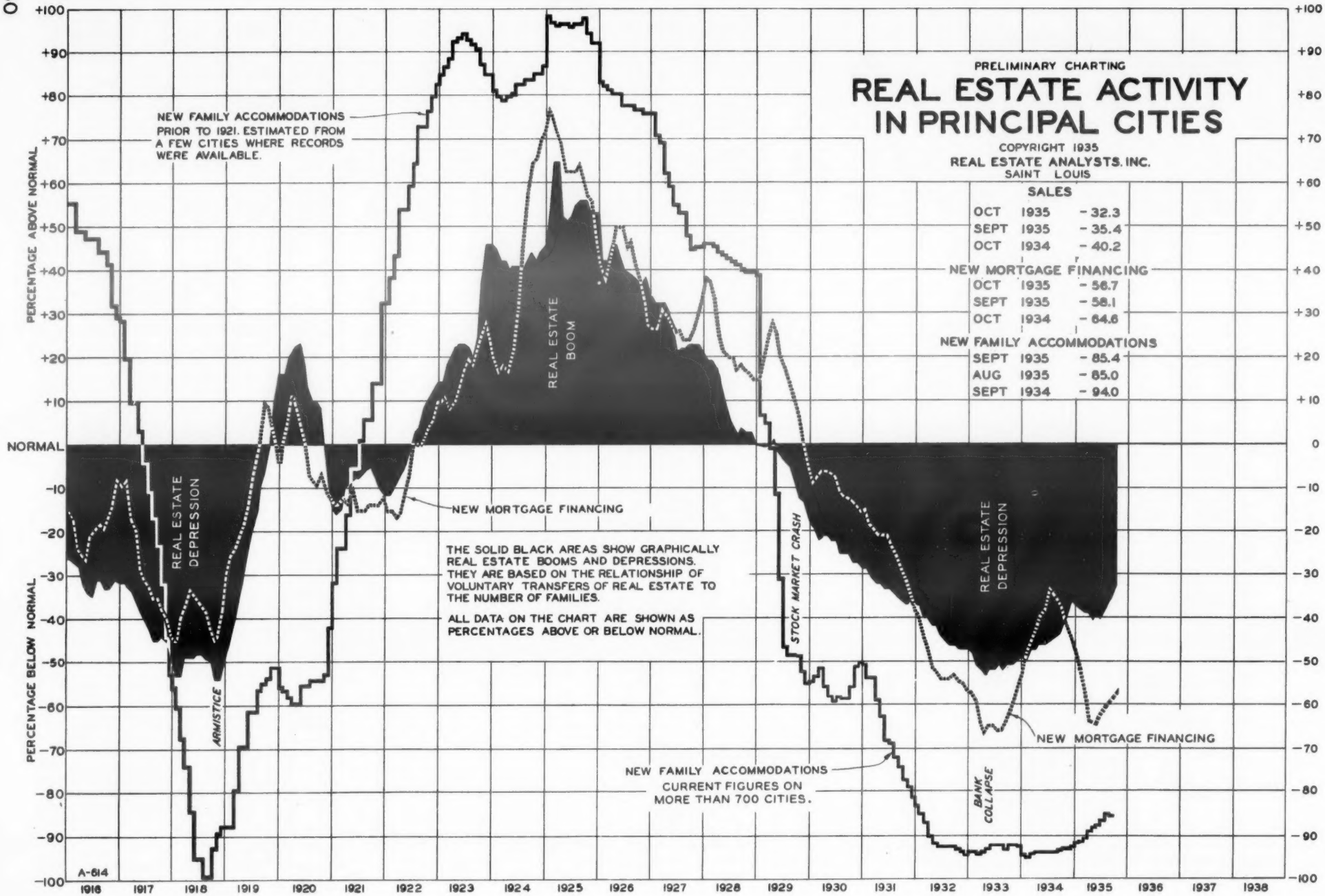
Total residential vacancy in Saint Louis had dropped to 3.9% by the fifth of November in contrast with 4.1% on October eighth. This is a vacancy of 8580 dwelling units in contrast with 28,207 vacant in November, 1932. During the past month 450 vacancies were absorbed. As can be seen from the charts below, the principal absorption was in two-family dwellings and heated apartments. Vacancy in single family residences and in three or more family residences, exclusive of apartments, increased slightly during the month.

The number of vacant residential units in the month of November during the past four years is shown on the following table:

| Date | Number of Vacancies | Percentage of Vacancy |
|---|---|---|
| November, 1932 | 28,207 | 12.8 |
| November, 1933 | 20,450 | 9.1 |
| November, 1934 | 12,100 | 5.4 |
| November, 1935 | 8,580 | 3.9 |

## MONTHLY FLUCTUATIONS IN RESIDENTIAL VACANCY IN ST. LOUIS




PRELIMINARY CHARTING
REAL ESTATE ACTIVITY IN PRINCIPAL CITIES
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SAINT LOUIS
SALES
OCT 1935 - 32.3
SEPT 1935 - 35.4
OCT 1934 - 40.2
NEW MORTGAGE FINANCING
OCT 1935 - 56.7
SEPT 1935 - 58.1
OCT 1934 - 64.6
NEW FAMILY ACCOMMODATIONS
SEPT 1935 - 85.4
AUG 1935 - 85.0
SEPT 1934 - 94.0
NEW FAMILY ACCOMMODATIONS PRIOR TO 1921. ESTIMATED FROM A FEW CITIES WHERE RECORDS WERE AVAILABLE.
PERCENTAGE ABOVE NORMAL
PERCENTAGE BELOW NORMAL
NORMAL
REAL ESTATE BOOM
REAL ESTATE DEPRESSION
REAL ESTATE DEPRESSION
NEW MORTGAGE FINANCING
THE SOLID BLACK AREAS SHOW GRAPHICALLY REAL ESTATE BOOMS AND DEPRESSIONS. THEY ARE BASED ON THE RELATIONSHIP OF VOLUNTARY TRANSFERS OF REAL ESTATE TO THE NUMBER OF FAMILIES.
ALL DATA ON THE CHART ARE SHOWN AS PERCENTAGES ABOVE OR BELOW NORMAL.
STOCK MARKET CRASH
ARMISTICE
BANK COLLAPSE
NEW MORTGAGE FINANCING
NEW FAMILY ACCOMMODATIONS
CURRENT FIGURES ON MORE THAN 700 CITIES.
A-614
+100 +90 +80 +70 +60 +50 +40 +30 +20 +10 0 -10 -20 -30 -40 -50 -60 -70 -80 -90 -100
1916 1917 1918 1919 1920 1921 1922 1923 1924 1925 1926 1927 1928 1929 1930 1931 1932 1933 1934 1935 1936 1937 1938